

(continued)

3. Under current law all of the WET tax is deposited in the general fund; under the proposal half of the revenue from the WET tax is deposited in the general fund and half is deposited in the state special revenue account discussed above in assumption 1. This provides funding of \$3,568,000 in fiscal 2002 and \$3,614,000 in fiscal 2003 for this account.
4. There are no administrative expenses associated with this proposal.

FISCAL IMPACT:

	FY2002 <u>Difference</u>	FY2003 <u>Difference</u>
Scholarships/Fellowships	\$3,568,000	\$3,614,000
<u>Funding:</u>		
State Special Revenue (02)	\$3,568,000	\$3,614,000
<u>Revenues:</u>		
State Special Revenue (02)	\$3,568,000	\$3,614,000
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	\$0	\$00

LONG-RANGE IMPACTS:

1. Revenue from the WET tax will be double over current law under this proposal in fiscal years after the 2003 biennium.

TECHNICAL NOTES:

1. The title of the bill refers to the wholesale energy “transmission” tax; in fact it is the wholesale energy “transaction” tax.
2. Because the Montana University System uses a different fund structure, the bill should establish the state special revenue account at the Office of Commissioner of Higher Education. The funds would then be distributed to the universities.